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A Critical Analysis of 140 Illinois Workmen's Compensation Settlements in the Year 1952 in a Soap Manufacturing Company in Chicago

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**A CRITICAL ANALYSIS OF 140 ILLINOIS WORKMEN'S
COMPENSATION SETTLEMENTS IN THE YEAR
1952 IN A SOAP MANUFACTURING
COMPANY IN CHICAGO**

by

Laurence J. McCarthy

**A Thesis Submitted to the Faculty of the Graduate School
of Loyola University in Partial Fulfillment of the
Requirements for the Degree of Master of
Social and Industrial Relations**

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1954

LIFE

Laurence Joseph McCarthy was born in Chicago, Illinois December 31, 1923.

He attended Hyde Park High School, Chicago, Illinois until July, 1942 when he interrupted his studies to enlist in the United States Marine Corps and served until August, 1945 when he was honorably discharged.

He entered Loyola University of Chicago in February, 1946 and received a Bachelor of Science degree in June, 1949. He began his graduate studies at Loyola University in September, 1949.

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INTRODUCTION

The plan of the author in this study is to determine some of the basic aspects affecting the individual injured employee who has received benefits through arbitration or voluntary settlement under the Illinois Workmen's Compensation Act. It is not an attempt to criticize the Act in itself, but rather an attempt to get the employee's reaction to the Act as it has affected them. In short, it will be the injured individual's opinion of the Act and its administration by one specific company.

One hundred and forty persons were involved in this study, most being hourly employees with few salaried employees represented. There was no purpose behind this selection; most of the injured were, naturally, hourly employees.

In general, the author was highly satisfied with the results of the interviews conducted and was gratified by the almost complete response and co-operation of the persons involved. They all appeared pleased to be included in this study apart from three persons who refused to co-operate.

Although this study concerns 140 injured employees, it

should be pointed out that of this number, only 123 were personally interviewed. As mentioned, three refused to co-operate and the remaining fourteen could not be located. Therefore, most of the tables in this study refer to 123 cases as the total number.

CHAPTER I

THE COMPANY AND ITS EMPLOYEES

Brief Background of the Company

The company used in this study is an auxiliary of a large meat packing corporation which has been using the by-products of meat to manufacture soap and related products since 1888.¹

In 1896, the plant was moved to its present location on the Southwest side of Chicago. Twice fire leveled the plant and after each fire, improvements were made to modernize the manufacturing processes and the plant was enlarged.² Today, the plant covers 12½ acres and recently began another modernization program which so far has resulted in the installation of over one hundred thousand dollars worth of new machinery.³

The successful manufacturing processes and sales promotion has resulted in making the primary soap product (a bath

1 Unpublished Company Records.

2 Personal interview with Plant Superintendent.

3 Interview with Management Officials.

and complexion soap) fourth highest on the national market in volume of sales.

Plant Divisions

Although soap is the most important product manufactured, the plant has several other divisions. In addition, glue, ammonia, glycerine, and fatty acids are also produced; each in a separate building. While these products are not as well known to the general public, they are equally as important, profit-wise, as the soap.

In addition to the above products, there is a large office and laboratory.

As far as this study is concerned, each division is important in that they all have had injured employees who have received benefits under workmen's compensation.

Physical Set-up of the Plant

Each division and department in the plant has machinery unique to the type of product manufactured. For example: the Glue Division has vats to cook and dry the component parts which make the finished product; the Soap Division has machines to mix, wrap, and box the soap; and the other divisions have like machinery.

In addition to the machinery, each division works with many different varieties of chemicals and a great number of these are caustics.

It can be seen from the above brief description that there are many things in the plant that can be, and actually are, hazardous to the careless or unthinking employee.

The plant, as mentioned above, has been in continuous operation since 1896 in its present location and many of the buildings are at least as old.⁴ In the past year, two buildings have been condemned and razed. Plans are being made to raze an additional building and replace it with a new structure.⁵ While these old buildings are reasonably clean, there is much residue remaining on the floors or walls that has been there for years and is almost impossible to remove. The physical working conditions in most divisions, inherently, are not pleasant.

The Employees

Formerly, the greater majority of the hourly employees were Caucasian and because of the neighborhood in which the plant is located, either Polish or Lithuanian.⁶ However, in approximately 1920, many Negroes were hired to replace the early laborers who had by then risen to higher positions.⁷ The Negroes were not

4 Personal interview with management officials.

5 *ibid.*

6 Personal interview with old employee.

7 Personal interview with member of superintendent's staff.

well received in the beginning and there was some strife.⁸ A covert feeling of mutual distrust and antagonism exist between both groups even today after some thirty years of association.

Today, approximately 85 per cent of the laboring force is Negro⁹ and all are in the semi-skilled and unskilled class. The skilled jobs are all held by the original employees or their descendants. The entire supervisory staff is Caucasian and mostly of German and Irish background.

Number of Employees

In the past as many as two thousand persons in all categories were employed in this plant, but with the advent of modern machinery, improvements in production technique, and discontinuance or transfer of certain products, the number of employees today fluctuates between nine hundred to eleven hundred. Of these, approximately five to six hundred are hourly employees and the balance are office workers, laboratory technicians, and supervisory personnel.¹⁰ The greatest cause of the fluctuation is periodic lay-offs because of installation of new machinery or overstocked warehouses. The skilled workers are very seldom, if ever,

⁸ See, Upton Sinclair, The Jungle, Chicago, 1923, which presents a fairly accurate picture of the early conditions in the meat packing industry.

⁹ Confidential Personnel Records.

¹⁰ *ibid.*

laid-off because of the necessity of maintainance and repair of the machinery.

Approximately 5 per cent¹¹ of the unskilled jobs once held by men are now filled by women and they are usually, because of low seniority, the first to be laid-off.

All the usual trades are represented by the skilled labor: Millwrights, Pipefitters, Carpenters, Machinists, Tin Smiths, etc.

Union Affiliation

The laboring forces are represented by two unions: The United Packinghouse Workers of America, C.I.O., and the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, A.F.L. Only the truck drivers and their helpers are represented by the Teamsters Union. The truck drivers and their helpers keep to themselves and do not co-operate or interfere with the larger C.I.O. organization.¹²

C.I.O. Welfare Committee

The C.I.O. Local representing this plant has a rather well-knit welfare organization whose "stated purpose"¹³ is to ex-

11 This percentage (obtained from Personnel Records) is for the year 1952. At present, the installation of new machinery has eliminate many more women.

12 Personal interview with C.I.O. Official.

13. Personal interview with Union Welfare Director.

plain all the welfare benefits due any injured or sick employee. They request each employee who has had an injury to report it to the Union Hall so that the committee may advise them on the proper course to follow.¹⁴

This Local has a verbal agreement with an attorney whereby he will file a claim and represent, at the Illinois Industrial Commission, all injured employees referred to him.¹⁵ He is not paid from Union funds but receives 20 per cent of the final settlement as allowed by the present policy of the Illinois Industrial Commission.

C.I.O. Safety Committee

In addition, the union has a collective bargaining agreement with the company providing for a Safety Committee of three union members who accompany the Safety Director once a week on a tour of all divisions to determine any safety hazards and make recommendations to alleviate them.¹⁶

14 This request was so published in the Union Weekly newspaper.

15 Personal interview with Union Official.

16 Collective bargaining agreement as of October 1, 1952 reading as follows: "A joint safety committee of employee representatives and management representatives shall be established in each plant."

CHAPTER II

ACCIDENT FREQUENCY AND SEVERITY

Safety

Work has always been hazardous. Injuries and fatalities have invariably accompanied industrious men. The introduction of modern machinery has increased the frequency and severity of accidents beyond all previous experience. When an industry introduces modern machinery and methods of production which, by nature, call for rapidity, they are both morally and legally responsible for their employees' safety. It is their obligation to introduce a sound safety program and see to it that it is followed.

The industry concerned in this thesis is no exception. Rather it is more dangerous than many plants of a similar size because of the products manufactured. A sound safety program has been introduced and is working rather well at present because of the close co-operation between the company and the union.

Yet even with good safety programs, dangers lurk in many corners of the plant because of inherent perils associated with the chemicals and machinery used. The careful and thoughtful employee seldom gets hurt, but the human element is always present.

Careless employees are frequently leaving steam pipes uncovered after repairing them or leaving loose nails, etc., laying around. "Most accidents could be prevented by well-known means which are neglected as often by the workmen because of indifference as by management..."² And in many cases, this is where the safety program is at a standstill at this particular plant.

The union at this plant has substantially assisted the Safety Department in educating the union employees in safe practices.

Number of Accidents

In the year 1952, there were 1,722 occupational injuries treated at the Plant Medical Department. Before any adverse conclusions are made regarding the large number of accidents in the plant, it is necessary to point out that it is a requirement of the company that each and every injury, no matter how minor, must be reported to the Medical Department and a record made of the type of injury and treatment necessary. Most of these 1,722 injuries consisted of minor cuts, bruises, and chemical burns that necessitated only first aid treatment.³ The number does however,

1 According to the Safety Director, more burns are received from this source than from the caustic compounds used.

2 Mac H. Donaldson, Labor Problems in the United States New York, 1939, 138.

3 Company Medical Records.

tend to show how both the company and the employee are aware of the possibility of a serious injury. A chemical burn, for example, may not seem serious at first, but unless it is promptly treated, can later cause serious damage or at least an annoying dermatitis condition.

Lost Time Accidents

Of the 1,722 reported injuries, only seventeen were serious enough to necessitate more than one day being lost from work. The amount of time lost ranged from four days to thirty-two weeks. The average being nine days. Four of these injuries were amputations,⁴ three were the result of burns, and the other ten were fracture cases.

Other Compensible Injuries

Of the remaining compensible injuries considered in this thesis, many could have resulted in appreciable time lost from work but for the policy and practice of the company. If a man injures an arm or leg, an attempt is made to find a one-handed job or work that can be done while seated. This way the worker does not have to depend on temporary weekly compensation, which at best,

⁴ Two of the amputations were to the same individual who in both instances, failed to lock a soap wrapping machine before repairing it and someone else started the machine while he had his hands in it. Fortunately, only the tips of both index fingers were lost. A commentary on the human element of safety.

is inadequate, but continues to receive his regular wages.

Most of the injuries were of such a nature as not to prevent a man from continuing his regular employment even though a settlement was due. For example, a fractured index finger would not necessarily incapacitate a man if he drives an electric lift truck even though the finger was permanently stiffened. Thus, 123 injuries could be considered more or less serious occupational accidents even though they did not result in time lost from work.⁵

Causes of the 140 Accidents

Objectively, no concern is given in this thesis as to who is at fault in regards to the accidents.⁶ That the accident happened and what caused it is important in order to show some of the hazards encountered by the employees in their everyday work. It might be added, that the employees in the plant in question are very well aware of the hazards and the frequency that each hazard has in causing fellow employees to injure themselves.

The following Table I analyzes the cause of the 140 compensable accidents.

5 The actual number of compensable injuries in 1952 totaled 156. Of this number, 140 were chosen for this study. The reasons are explained in Chapter III, page 13.

6. See Chapter V for the injured employees' opinion regarding this point.

TABLE I
CAUSE OF ACCIDENTS⁷

Cause	Total number	Percent of total
Machinery and tools	81	57.9
Uncovered steam and acid pipes	22	15.7
Strains or sprains	16	11.4
Chemicals	13	9.4
Falls	4	2.8
Falling objects	4	2.8
Total	140	100.0%

Of the twenty-two caused by uncovered pipes, all but one was the result of failure to recover a pipe after it had been repaired.

It is worth noting that sixteen persons were injured seriously enough to warrant a disability by strains or sprains. Most of these strains and sprains were the result of slippery surfaces which are constantly being cleaned but because of tank overflow and soap spillage, are rather difficult to eliminate. This is one of the inherent dangers in an industry of this type.

Summary

In a company employing about one thousand persons, 1,722

accidents in a one year period would mean that every person was injured approximately one and seven-tenths times per year. While it would appear that this company has a rather high accident frequency, there are mitigating circumstances. Only approximately one per cent of the accidents were serious enough to result in more than one day lost from work. In addition, the 156 injured seriously enough to have a permanent disability and thereby warrant settlements equals only about nine per cent of the total number of accidents reported.

Further, it must be reiterated that company policy requires a record to be made on any and all injuries no matter how trivial.

It can be seen from the above information that both the accident frequency as well as the severity while serious, is not apparently exceptional for a company this size.

CHAPTER III

INTERVIEWING TECHNIQUE AND PROBLEMS ENCOUNTERED

Selection of cases

In an effort to determine the attitudes of the individuals who have received benefits under the Illinois Workmen's Compensation Act and their criticism of some of the basic aspects of the Act, the author selected from the company's confidential Workmen's Compensation Claim files, a list of 140 persons who had received benefits through arbitration or voluntary settlement in 1952. Although there were 156 compensible injuries in the year 1952, the figure of 140 was selected as a basis in order to get the reactions of an equal number of settlements made voluntarily and through arbitration. The total number of voluntary settlements was seventy, so seventy arbitration cases were also selected at random.

Of the 140 persons on the original list, only three refused to co-operate and fourteen had either been discharged, laid-off, or retired and could not be located.

Questionnaire

Originally, a set of nine sample questions were devised

to be used during the interviews but after a few interviews, the list proved to be not inclusive enough. Therefore, several questions were broken down into simpler segments and more questions were added. The final revised list used for all interviews numbered twelve questions.¹

It was also noted immediately that the wording and language had to be changed to more adequately express the ideas to the individuals. An individual was contacted whose suspected mental level was that of dull-normal and the revised list was used on him and continuously revised until he adequately understood each question. This saved much time and experimentation because all the others understood each question rather easily.

This questionnaire was devised expressly for the purpose of determining the attitudes of the injured individuals which would reflect their opinions of the Illinois Workmen's Compensation Act, and its administration by one specific company and some possibilities on how to improve it.

Interviewing Technique

A contact was made with each person either in their home or at the author's office. The office contacts were more numerous inasmuch as the author works for the company used in this study.

1 See Appendix I, page 52.

Only twenty persons were contacted at home and it was necessary in a few cases to return more than once before finding them at home.

When the individual was contacted, a rather extensive explanation of what the author was attempting to do was made and each person received a complete copy of the questionnaire with the privilege of answering the questions then or taking them home and mailing them to the author unsigned.

As previously mentioned in the Introduction, almost all persons were pleased to be used in this study and nearly all of them agreed to answer the questions in the author's presence. This co-operation in many cases, was not obtained until the person was completely assured that his answers were purely for college work and not for the company.

Illiteracy Factor

Several of the persons interviewed were illiterate² and at first it was thought that a different set of questions would be needed for them. However, examples were used to supplement many of the questions and these persons grasped the meanings as quickly as their more literate fellow-employees. In fact, it was soon discovered that if the author read the questions to the literate persons, while they read them silently, they understood the context

² Twenty-eight persons, all Negro, could neither read nor write, but all had learned to sign their names.

more quickly and their responses were more spontaneous.

The illiteracy factor, at first, was somewhat of a problem in that several persons were apparently ashamed to admit they could not read nor write and did not want to co-operate in the study. This problem became evident rather quickly and was solved simply by asking the persons if they wanted to read the questions or if they would rather have the author read them. This method save considerable embarrassment and they readily agreed to this in most cases explaining they had forgotten their glasses. Their answers were read back to them for varification.

Other Aspects

In most cases, the persons who had made voluntary settlements co-operated to a greater degree than those who were in arbitration. But all in all, each individual showed a surprising amount of co-operation and understanding considering all factors, including personality.

It was also noted that the greater the length of service, the more understanding of the problems of the company.³ This was especially true as far as safety factors were concerned. These employees understood many of the inherent dangers connected with

³ The average number of years of service in this group studied was eleven and seven-tenths years.

the manufacturing processes.

While a certain degree of reticence on the part of the Negro workers was anticipated, none was noted and in many cases, more co-operation was obtained from them than from the salaried employees.

CHAPTER IV

RESULTS OF INTERVIEWS

Previous Opinions

The results of the interviews with the injured employees were, in many cases, surprising to the author in respect to what many persons (as well as the author) thought who had worked administering workmen's compensation programs and from the conclusions drawn in some of the books read on casualty insurance regarding the proper operation of a workmen's compensation program. Their opinions of what constituted a successful workmen's compensation program differed somewhat from the results gained in this study. The injured employees' opinions were not always according to the established methods of operation. However, the group studied in this thesis is unique in many respects. For example, the industry used in this study is relatively different from most other industries in that it is comparatively small and probably does not hire as many skilled workers. Further, its workmen's compensation is not covered by an outside insurance company; it is self-insured. Therefore, their program can, and does, change from time to time as economic conditions or other factors change. And fin-

ally, the C.I.O. Local is a well knit and homogenous unit being almost 85 per cent Negro.

When the above factors are considered it can be understood that it is less difficult to arrive at a conclusion as to whether this group would be a truly representative group of the total compensation picture. At present, the author is unable to compare his findings with any other companies or comparable studies due to the fact that it concerns only one group and one specific company. It should also be noted that comparatively little research has been done in regards to the individual injured workman's opinion of workmen's compensation.

Representation at the Industrial Commission

When the injured employee's medical treatment is completed and some disability remains, he is entitled to appear at the Illinois Industrial Commission to have his claim heard and terms of settlement made. As the Illinois Industrial Commission is an administrative tribunal and is responsible for interpreting the Workmen's Compensation Act, legal advice is needed by almost all employees. The employee may choose to retain the attorney who works with the union, his own attorney, or he may represent himself and rely on the company attorney's explanation of his rights as well as the interpretation of his case by a Commissioner at the Industrial Commission. If he is self-represented, there is no attorney's fee, which as previously mentioned, amounts to 20 per

cent of the final settlement. If the employee is convinced he will be treated fairly by both the company and the Industrial Commission, it is to his advantage to represent himself. If, on the other hand, he doubts the adequacy of any offer of settlement made, he will, in most cases, retain an attorney.

The following Table II contains a breakdown of the various types of representation.

TABLE II
REPRESENTATION AT INDUSTRIAL COMMISSION¹

Answer	Total number	Percent of total
Self representation	65	52.9
Union attorney	56	45.5
Own attorney	2	1.6
Total	123 ²	100.0%

It would appear from the above table that almost half of

1. Unless other wise noted, all information contained in the Tables was obtained from personal interviews with the injured employees.

2 See Introduction for the explanation of the difference in totals used in the Tables.

the persons interviewed preferred representation at arbitration by an out side attorney and not the company attorney's judgement in arriving at a settlement. A few of the typical comments were, "I aint no lawyer, I needed help"; "I don't trust the company"; "the company is going to save all the money it can".

It should also be pointed out that four of the employees who chose self representation had amputations and knew that they were receiving the maximum benefits possible under the law. If they would have retained an attorney under different circumstances was not divulged.

Satisfaction of Services of Attorney

The greater majority of those who retained an attorney were completely satisfied with his services. Most agreed they benefited more by having an attorney than they would have otherwise; both in self satisfaction and financially.

Most of the ones who were satisfied with their attorney, but stated they would not retain one again made it plain that this held true only if the company treated them fairly. As one man put it, "After I paid my lawyer, I ended up with about the same as the company offered me in the first place, but maybe they wouldn't be so good on another injury".

The ones not satisfied were, for the most part, disgruntled about the 20 per cent lawyer's fee. Apparently, they

were not too aware of this factor when they originally retained the attorney and felt it amounted to too much of their final settlement.

Table III points out the employees' satisfaction or non-satisfaction with the services of the attorney retained by them.

TABLE III
SATISFACTION OF SERVICES OF ATTORNEY

Answer	Total number	Percent of total
Satisfactory and retain again	30	51.7
Satisfactory but not retain again	12	20.7
Not satisfactory	9	15.6
No answer	7	12.0
Total	58	100.0%

Satisfaction of Self Representation

As would be expected, most persons who were self-represented were satisfied with their settlements. This appeared to be because of the fact that they had some knowledge of the Workmen's Compensation Act or they were satisfied that the company offer fairly represented (in terms of money) the amount of disability

they had remaining. Fair treatment by the company in the past on other matters not related to compensation was a factor in several cases. As one employee remarked, "this company has always been fair with me in my work so I don't think they would try and cheat me now".

Yet even though the majority in this group were satisfied, 32 per cent stated they would retain an attorney at the present. That nearly one-third of a group changes their opinions would indicate that something was amiss with the original award or in the program. Some of this group admitted that while they were satisfied, they believed that they could have received more with the assistance of an attorney at arbitration. Several stated that they had always doubted the adequacy of the settlements received and would feel better if they had had the advice of an outside attorney. Others were convinced the company cheated them; usually because a fellow-employee had received more consideration for the same type of injury. A typical example of this is brought out in the following complaint. "Joe M____ had a ganglion (cyst) on his wrist and he got more than me. That isn't fair to me." In this particular case, Joe M____ had decided against an operation to remove the cyst and to the amount given him in final settlement was added the cost of the operation to be done when he so desired. The other man had the operation at company expense. The point being that an explanation was not made to the disgruntled man at

the time and he believed the company was at fault. This is a matter of company program and an explanation of these factors would have eliminated this mis-understanding.

Table IV shows the employees satisfaction or non-satisfaction with his own representation.

TABLE IV
SATISFACTION OF SELF REPRESENTATION

Answer	Total number	Percent of total
Satisfied with own representation	43	66.2
Would retain an attorney now	21	32.3
No answer	1	1.5
Total	65	100.0%

Acceptance of Original Company Offer

Over thirty-four per cent of those persons who were represented by an attorney stated they would have been better off financially to have accepted the original offer made by the company than to have taken the case to arbitration with the resultant time lost, attorney's fees, etc.; and thirty-six per cent would not hire an attorney ^{now}: There is a relationship between the two groups. (See Table III.)

They were not happy with the settlements received through litigation because after the costs were deducted, they would have received as much, and in many cases, more, than what the company originally offered. It would seem, therefore, that this should be a factor in any company's program by which they could induce the injured employee to arrive at a settlement without the necessary cost, time and uncertainty which naturally results from litigation. But the original offer must be fair and adequate.

Naturally, the sixty per cent who were satisfied with the results of litigation felt they were financially better off than if they had accepted the original offer.

TABLE V

ACCEPTANCE OF ORIGINAL COMPANY OFFER
CASES IN LITIGATION WITH
REPRESENTATION BY ATTORNEY

Answer	Total number	Percent of total
Find result better than company offer	55	60.2
Find result same as or worse than company offer	20	34.6
Don't know	3	5.2
Total	58	100.0%

Original Company Offer with Self-Representation

The sixty-five persons who chose to accept the company offer and represent themselves at the Industrial Commission, generally agreed that this was wise course. Sixty-three per cent were satisfied with acceptance of the company offer as compared with 66 per cent who were satisfied with their own representation; and 33 per cent were sorry that they accepted the original offer as compared with 32 per cent who would now hire an attorney.

(See Table III.) The reasons differ slightly in this group from the group represented by an attorney in that they could not compare their financial gain or loss directly, but relied on what fellow-employees with similar injuries had received through arbitration. This was of considerable importance to the employees. They, in some cases, were ridiculed by fellow-employees who had received more money through arbitration than they had received. There is a social factor involved here that no company should disregard in evaluating a final settlement.³

It is also significant to note that the two persons who did not know whether they were better or worse off because of acceptance both had rather serious disabilities and received rather large amounts of money.

³ It should be pointed out that there was a tendency for the arbitration group to exaggerate the actual amount they had received.

The following Table VI contains a breakdown on the injured employees' reaction to their acceptance of the original company offer.

TABLE VI

ACCEPTANCE OF ORIGINAL COMPANY OFFER
CASES SETTLED WITH SELF
REPRESENTATION

Answer	Total number	Percent of total
Find result better with acceptance	41	63.1
Find result worse because of acceptance	22	33.9
Don't know	2	3.0
Total	65	100.0%

Bias of Industrial Commission

When asked if the Illinois Industrial Commission was fair or if it represented more the interests of labor or management, all but six of the injured employees had definite opinions. While their opinions varied, their reasons did not. Sixty-eight per cent (84 persons) considered the Industrial Commission a political body rather than an administrative body and as such, either for one side or the other. And while more thought that in the

year 1952 the Commission was biased in favor of labor, they expressed the opinion that with a Republican Governor this would change in 1953.

While it was impossible to determine statistically, the author suspects that many of those who believed the Commission biased in favor of management were thinking of the present political regime rather than the one in power in 1952.

The following Table VII reveals the injured employees' opinions on these points.

TABLE VII
BIAS OF INDUSTRIAL COMMISSION

Answer	Total number	Percent of total
For labor	48	39.0
For management	36	29.3
Impartial	33	26.8
Don't know	6	4.9
Total	123	100.0%

Most of the persons who believed the Industrial Commission biased thought that this body would function much better if the arbitrators and commissioners were civil service appointees

rather than political appointees.

Several employees believed that because there were no Negro Commissioners⁴ this was a factor against the Negroes as representatives of labor. In short, they felt they were not justly represented.

Medical and Hospital Care

The medical treatment and hospital care by the company's physicians was popularly endorsed by almost all of the injured employees. Only approximately 14 per cent considered the treatment received from the company doctors poor; and only 10 per cent felt the hospital care insufficient. The main reasons for such a high acceptance of this phase of the program appeared to be because of:

- a. The high standing in the community that physicians enjoy,
- b. The fact that no money was involved in the actual treatment,
- c. The fact that the treatment was prompt and of a friendly yet professional nature, i.e., a good so-called "bedside manner".

There was a great deal of confidence shown in the doctors and their method of treatment and opinion while the injury was healing. As one man stated, "A doctor is a doctor and his only job is to fix you up. All he has to know is you're hurt and he does the best he can do to make you feel better."

⁴ A Negro, William E. King, was appointed by Governor Stratton in 1953.

That the hospital care was almost unanimously accepted is not too surprising inasmuch as all the injured employees who require hospitalization are sent to either Mercy or Provident and both hospitals enjoy a very fine reputation.

The following Table VIII contains a breakdown of the injured employees' opinions concerning their medical treatment.

TABLE VIII
COMPANY MEDICAL AND HOSPITAL CARE

Answer	Total number	Percent of total
A. Medical Care		
Excellent	48	39.0
Good	42	34.1
Satisfactory	16	13.1
Poor	17	13.8
Total	123	100.0%
B. Hospital Care		
Good	35	89.7
Poor	4	10.3
Total	39⁵	100.0%

5 It should be pointed out that while there were only 17 lost time accidents, 22 injured employees received out-patient treatment such as physio-therapy. Therefore, while they only were in the hospital a few hours, they did have hospital care.

Doctors' Estimate of Permanent Disability

When an injured employee has received his final medical treatment, a report known as a "Commission Report" is prepared by the doctor or doctors who treated the man and this is submitted for use in arriving at the final settlement and later submitted with other necessary papers to the Industrial Commission. It contains the physical findings and the percentage of permanent disability remaining, e.g., 10 per cent loss of use to the right foot.

While the medical treatment and hospital care is overwhelmingly endorsed by the employees, no such endorsement is made of the Commission Reports. Most believed that while the company doctors treated them fairly and adequately medically, their final reports were biased in favor of the company in order to save money.

Many, while they believed the final settlements fair or at least satisfactory, maintained that the doctors did not allow any lee way, but quoted the lowest percentage possible. That is to say, they believed it hard to put an exact percentage on many disabilities, but believed the percentage should be recognized as being a flexible figure. One man explained his feelings on the matter by stating, "When he (the doctor) treats me, he is just a doctor, but when he writes his report, he's a company man."

The following Table IX shows the employees' opinions on

this point.

TABLE IX
BIAS OF DOCTORS' ESTIMATE

Answer	Total number	Percent of total
Biased in favor of company	63	51.2
Impartial	41	33.3
Not completely impartial, but fair	18	14.6
Don't know	1	0.9
Total	123	100.0%

Cause of Injury

When the question, "Was the injury the company's fault?" was asked, most of the injured employees stated that it was. The consensus was that while there were many inherent dangers present and while a concerted effort was made to alleviate or at least minimize them, many of the injuries could have been prevented. Of course, a question of this sort is bound to produce subjective rather than objective answers. Yet, it appears to have a great deal of validity in that there was complete agreement on several factors. For example, the employees believed that before a man

should be placed on a certain job, all the dangers associated with that job should be thoroughly explained to him. Many also believed that certain individuals should never be delegated responsibility on certain dangerous jobs because they were incapable of realizing the dangers, not only to themselves, but too others.⁶

Then too, there were many new types of operations instituted in the year 1952 that were of such a nature that neither management nor labor were completely aware of all the inherent dangers.

Many also complained because both speed required to do certain jobs on rush orders and the slip-shod methods of clean-up resulted in unsafe conditions.

The majority of those who answered the question in the negative either blamed laxity on the part of their fellow-employee or, surprisingly, their own stupidity.

Of the foremen interviewed, most were at least in partial agreement with the union employees on the matter of prevention of accidents by a more concerted effort on the part of both management and labor union leaders.

The following Table X contains a breakdown of the answers on the cause and fault of the accidents.

⁶ This factor is considered by the company, but because of the labor shortage (at the time) it was not always possible to carefully screen the men hired. This does not appear to be a factor at this writing.

TABLE X
INJURY COMPANY'S FAULT

Answer	Total number	Percent of total
Yes	79	64.2
No	40	32.5
Don't know	4	3.3
Total	123	100.0%

Safety Hazard Corrected

Of the seventy-nine persons who believed their injury to be the fault of the company's safety policies and practices, almost half complained that these hazards still existed. Several of these complaints involved uncovered steam pipes (mentioned in Chapter II). The employees, while they recognized the fact that the pipefitters were ordered to recover these pipes after repairing them, believed, and rightfully so, that it was up to the foremen to enforce this regulation.⁷

⁷ As of this writing, this hazard has been eliminated through the combined efforts of the Management and Union Safety Committees.

Others complained that more clean-up men should be hired to keep much of the residue from the floors and stairs.

From these complaints, in many cases both valid and invalid, it appears that management's real job is not only to sell safety, but to strictly enforce it. The findings of this survey tends to show that the selling job in this industry is fairly adequate, but the enforcing is not up to date.

Table XI following, illustrates these opinions.

TABLE XI
SAFETY HAZARD NOW CORRECTED

Answer	Total number	Percent of total
No	39	49.4
Yes	35	44.3
Don't know or no answer	5	6.3
Total	79	100.0%

Physical Condition

Uppermost in the minds of the injured employees was their physical condition and the amount of disability remaining as a result of their injuries. Almost three-quarters of these employees believed that recovery from their injury was not complete.

They believed, in many cases, that their working longevity had suffered because of the injury.

Most were optimistic, however, that they still retained the same ability and effectiveness to properly perform their jobs.

They all, both partially and completely recovered persons, believed there should be some sort of rehabilitation program for injured employees (especially the amputees) and that the company should be responsible for this phase.

Table XII following, contains a breakdown on the injured employees' opinions of their recovery.

TABLE XII
COMPLETE RECOVERY FROM INJURY

Answer	Total number	Percent of total
No	87	70.7
Yes	31	25.2
Don't know	5	4.1
Total	123	100.0%

Disability Remaining

Of the eighty-seven persons who felt they had not completely recovered from their injuries and had some disability re-

maining, over 58 per cent believed their condition was the same as when the settlement was made and 41 per cent believed their physical condition to have deteriorated. While these figures may not seem especially significant at first glance, a further look might reveal that (at least in the injured employee's mind) something was amiss in the final settlements. That over one-half of these persons had the belief that they were neither better nor worse off as a result of their injuries should be expected; but, to the author, the fact that well over one-quarter of these persons felt that their disability was worse is highly significant.

The following Table XIII shows the injured employees' opinions on the disability remaining.

TABLE XIII
DISABILITY REMAINING

Answer	Total number	Percent of total
Same	51	58.6
Worse	36	41.4
Total	87	100.0%

It was expected that when the injured employees were asked if they had made a complete recovery that the large majority

would answer in the negative. It was not expected that many would have the attitude that not only had they not made a complete recovery, but that they were in worse physical condition. But when the reason was learned, it made good sense: they believed that with age their disabilities became more chronic. For example, one man explained, "When I hurt my hand it was only partly stiff, but now that I am fifty, it is getting stiffer." Of course, this could be the result of arthritic changes, but were these changes heightened by the original trauma? No apparent consideration is given this factor.

The implications of these findings for an analysis of workmen's compensation indicated that this is a factor that deserves study and consideration in making the final settlements.

Age Group

In an attempt to obtain a correlation between the thirty-six persons who complained that their injuries were worse and their age group, some significance was found.

By far, the greater number, as can be seen from Table XIV following, who have this attitude are grouped in the upper age brackets. This tends to have a direct relationship with the injured employees' attitude on this point.

It should also be pointed out that the information contained in the following table was obtained from objective sources

and is very accurate.⁸

TABLE XIV
DISABILITY WORSE VERSUS AGE GROUP

Age	Total number	Percent of total
20-30	0	0.0
30-40	2	5.6
40-50	17	47.2
50-60	16	44.6
60 and over	1	2.6
Total	36	100.0%

A Comparison of Work and Safety Conditions

Of the 123 injured employees considered in this study, 104 had, at one time in their lives, employment with other companies. The other nineteen had enough knowledge of other companies to make a comparison with this company. Their attitudes on the work and safety conditions as compared with other companies they had knowledge of reflected a major criticism of both these factors.

Only 25 per cent felt that this company was a better place to work as far as working conditions and safety were concerned. Of this number (see Table XV) twenty-eight worked either in

⁸ Information in Table XIV obtained from Birth Certificates in the Personnel Records.

the Soap or Glycerine Departments which are the cleanest and safest departments in the plant.

The employees who felt conditions were worse in this company were vehement in their reasons. Thirty-nine per cent agreed that there was much room for improvement in many areas. The things they felt necessary to improve both working and safety conditions are listed below in order of frequency:

- a. More strict enforcement of safety rules,
- b. Cleaner work areas,
- c. Better protective devices,
- d. Delegation of more responsibility on safety matters to individuals who deserve this recognition,
- e. Safety rules to be kept by both management and labor.

It is interesting to note that the above group had an apparent objective as well as good criticism and were not just complaining.

Of the 33 per cent who expressed the opinion that this company is about the same as others, a majority made it clear that this did not mean that the company was entirely blameless. One man expressed it by saying, "All companies are about alike, no better, no worse. If they can save a buck, they will." This was a major factor in forming the attitudes many had: that profit was of greater importance than either safety or working conditions to all companies and one was equally as guilty as another in this respect.

The following table tends to show the injured employees'

attitudes on the conditions in this company.

TABLE XV

WORK AND SAFETY CONDITIONS
THIS COMPANY AND OTHERS

Answer	Total number	Percent of total
Worse	48	39.0
Same	41	33.3
Better	31	25.2
No opinion	3	2.5
Total	123	100.0%

Adequacy of Workmen's Compensation Act

The injured employees' attitudes toward the present practices of the Illinois Industrial Commission as well as the adequacy of the Workmen's Compensation Act were extremely adverse. Seventy-seven per cent were of the belief that the Act, as well as the administration of it, were not adequate. It is well known that most members of management who are directly concerned with workmen's compensation are aware of the foibles and inadequacies of both the Industrial Commission and the Act, but it is somewhat surprising to find (at least in this specific company) that the

untrained and not formally educated employees are equally aware of these things. A point to be well remembered by management.

The following table contains a breakdown of the injured employees' opinions on the adequacy of the Illinois Workmen's Compensation Act.

TABLE XVI
ADEQUACY OF WORKMEN'S COMPENSATION ACT

Answer	Total number	Percent of total
Not adequate	95	77.2
Adequate	23	18.7
No opinion	5	4.1
Total	123	100.0%

Changes Needed

Not only were the employees aware of the inadequacies of the Act, but they were very vociferous on what changes were necessary to make the Act more adequate and equitable. Their understanding of the problems confronting both themselves and management, in most cases, was equally as cognizant of the errors as the legally trained members of management.

Table XVII following, shows the opinions of the injured

employees' in regards to the phase of the Illinois Workmen's Compensation Act that, in their opinion, needs change.

TABLE XVII

PHASE OF ACT NEEDING CHANGE

Answer	Total number	Percent of total
Political Appointments	32	33.7
Amount of settlements	22	23.3
Attorney's fees too high	20	20.0
Time it takes to get settlements	12	12.6
Prejudice	10	10.4
Total	95	100.0%

Despite the lack of formal education it can be seen from the above table that ninety-five employees who felt the Illinois Workmen's Compensation Act needed changes were as well aware of the faults of the Industrial Commission as management and knew just what needed change. In many instances they ignored their own personal criticisms and delved into the phase that would benefit everyone concerned. All were asked to pick the one phase they would change now.

As with any governmental agency which is manipulated politically, the Illinois Industrial Commission was more severely criticised on this point than on any other. Thirty-two employees believed that this was the one point that needed change immediately. They were well aware that at present, the Industrial Commission favors the injured employee, but they were equally aware that not only was this unfair to the companies, but that if the political winds changed, the companies could and would be favored over the injured employee. Most believed civil service appointments would help reduce this danger.

Of the twenty-two persons who felt the amounts of the settlements were not adequate,⁹ fourteen (63.6%) believed more consideration should be given to the possibility of the injury getting worse as they grew older.

The twenty employees who felt the attorney's fees too high, while they had no specific answer to this problem, believed that both the General Assembly and the Industrial Commission should set specific amounts for specific disabilities. They believed that while 20 per cent was probably equitable when a large settlement was made, that it was not in order on settlements under \$100.00. For example, if a man was awarded 10 per cent loss of use to

⁹ The rates were raised by the Illinois General Assembly effective July 1, 1953.

the middle (or second) finger in 1952, he received only \$71.40 after the lawyer's fee was deducted. This usually doesn't include payment to the doctor used by the lawyer.

The amount of time it takes to have their case brought to arbitration was criticised by approximately 12 per cent of the injured employees. In many cases, they waited three to four months after filing applications for an adjustment of their claims. Perhaps this situation could be relieved, but it appears that because of the crowded docket at the Industrial Commission, this is an unavoidable delay for the time being.

Surprisingly, ten employees felt the Industrial Commission to be prejudiced either in favor of the Negroes or whites. Several pointed out that only two of the arbitrators and none of the Commissioners were Negroes in 1952. The whites who felt the Commission was prejudiced based their reasoning on the fact that the colored appeared to receive more consideration than they did. This, of course, appears to be a misunderstanding rather than a valid criticism.

In the concluding chapter, the author will evaluate the Illinois Industrial Commission, the Workmen's Compensation Act, and its administration in the light of the facts presented in this chapter.

CHAPTER V

SUMMARY AND CONCLUSIONS

Company Program

The results of this survey show more than anything else that the employees are aware of the benefits of the Workmen's Compensation Act and equally aware of the fact that its administration could stand improvement.

This survey also raised the question as to the effectiveness of the company's program in administering their claims. There appeared to be much doubt among the injured employees as to the fairness and adequacy of the company's offer of settlement. To eliminate this doubt it would seem that the original company offer must adequately represent, in terms of money, the amount of disability remaining after all medical treatment has been given. It should not be a dickering process, but the original offer must be the best offer possible considering all circumstances. Although all injuries can not fit a simplified formula, all employees should be treated the same: each should receive the same consideration for the same type of disability, within reason.

It should also be pointed out that fair treatment in other facets not concerned with workmen's compensation is of prime importance in eliminating a disgruntled attitude in compensatory matters. Most employees believed that a company that is fair and trustworthy in most respects can be trusted in matters concerning workmen's compensation.

This study also showed, in the opinion of the author, that the average working man can and will understand the technicalities and problems of making a settlement if this is explained to him in non-technical language. Many of the injured employees, while they trusted the company doctors implicitly in matters concerning their treatment and rehabilitation, did not trust them in their estimate of the permanent disability remaining because they were unable to understand the technical and professional language of the final, or Commission, reports. Edema means nothing to the average working man and in fact, may frighten him; but the simpler term, swelling, he grasps immediately.

Further, in the opinion of most employees, if it is known that an injury will result in additional damage as one ages, this should be allowed for and an explanation made of this factor to the employee.

Industrial Commission

This survey showed the overwhelming awareness of the

working man on the inadequacies of the present set-up of the Illinois Industrial Commission. Almost all had an opinion on the political connection of this body. It also showed that their thinking on this subject was not biased and that they had definite contributions to offer for improvements.

They proved, among other things, that today's laboring people want a more decided and active voice in matters concerning their welfare and that they are well able to evaluate what needs change in the administration of the Act, and from an unbiased viewpoint.

Company Safety

According to the injured employees' opinion, the company used in this study can benefit by a better safety program. They believe that while safety has improved in this and other companies, that while the theories are correct, the practices are not. They recognize the difficulties, but believe a better selling job to be necessary.

This survey also showed that in the company involved, the employees appreciated the voice they now have in the safety program, but are desirous of a more extended participation. The company, in their opinion, is lax in many areas of safety with resultant serious injuries. They believe that more co-operation between management and their union officials and representatives

could help alleviate many of these dangerous factors.

Workmen's Compensation Act

While the employees all appeared to recognize the fact that the Illinois Workmen's Compensation Act has benefited them considerably over the old common law, and that it is a good law, they also felt that it should be a dynamic and changing law.

In the author's opinion, this survey was of great value in pointing out that the employee recognized the worth of the Illinois Workmen's Compensation Act, and the major criticism of it was the inadequate administration of it by the employer and the State agency.

General Conclusions

Workmen's compensation has only been in existence in this country for a relatively short time--a scant fifty years--and it is still in an experimental and formative stage. Many changes have taken place since its inception to strengthen the existing law and eliminate abuses, and many more changes are needed and will undoubtedly take place in the future.

Most companies are beginning to realize that workmen's compensation is a better way to handle injury claims than the old common law concepts and their future programs, as well as the administration of them, will be more effective in creating harmonious industrial relations on this level.

The present Workmen's Compensation Act in Illinois is a good law; it is only the abuses and misunderstandings regarding the spirit of the Act on the part of both management and labor that causes the trouble. And it appears, at least in this company, both segments of the industrial world are striving to eliminate these factors. From the attitudes shown by the individual injured employee in this study, it is the opinion of the author, that if given half a chance, they will work with the members of management to gain a better and more adequate working program on all levels.

In conclusion, it would appear that all parties concerned, the employer, the employee, and the State of Illinois, would agree with Earl R. Beckner's recommendation for a good program in Illinois when he wrote:¹

...we may say that while workmen's compensation in Illinois is far superior to the old employers' liability system, much improvement is still needed. The scope of the act should be extended to include all employments, rehabilitation should be carried out more fully, and benefits under the law should be increased... As is the case with every labor law in Illinois, the administration of the act should be improved and political manipulations abolished.

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APPENDIX I

LIST OF INTERVIEW QUESTIONS

1. Were you represented by:
 - a. Union Attorney?
 - b. Your own attorney?
 - c. Yourself?
2. If you were represented by an attorney were you:
 - a. Satisfied with his services?
 - b. Would you hire him again?
3. Looking back, would it have been better or worse for you to have accepted the original company offer?
4. Is the Illinois Industrial Commission more for:
 - a. Labor?
 - b. Company?
 - c. Impartial?
5. Was the medical treatment by the company doctors:
 - a. Excellent?
 - b. Good?
 - c. Satisfactory?
 - d. Poor?
6. Was the company doctors' Commission Report:
 - a. In favor of the company?
 - b. Impartial?
 - c. Fair, but for the company?
7. If you were in the hospital, did you get proper care?
8. Was the injury the company's fault?
9. If so, has the safety hazard (danger) been corrected?
10. Are you all better from the injury or does it still bother you? How much:

LIST OF INTERVIEW QUESTIONS (continued)

- a. Same?
- b. Worse?

11. Is this company better or worse to work for than other companies for which you have worked as far as safety is concerned?
12. Is the Illinois Workmen's Compensation Act all right now or does it need changes?
13. What would you change if you could change one thing?